

**IN THE UNITED STATES DISTRICT COURT FOR  
THE EASTERN DISTRICT OF VIRGINIA  
Richmond Division**

IN RE ALTRIA GROUP, INC. DERIVATIVE LITIGATION <hr/>	) ) ) ) )	Lead Case No. 3:20cv772 (DJN)
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**REPORT OF THE INDEPENDENT MONITOR**

The Independent Monitor submits this Report for the Court’s review pursuant to the Court’s Order dated January 23, 2023. (ECF No. 170). The Court ordered the Independent Monitor to file a report indicating whether he believes that the proposed revisions to the settlement agreement satisfy the Court’s concerns that any final settlement preclude the Funding Amount from being used to backfill Altria Group, Inc.’s (“Altria”) prior financial commitments to legacy programs.

The Independent Monitor discussed the Court’s concerns with Federal Plaintiffs, Altria, and the Shareholder Objectors during multiple conversations. The Independent Monitor encouraged the parties to continue to engage directly with one another to come to a mutually agreeable resolution that sufficiently addresses the Court’s concerns.

Upon conclusion of the parties’ negotiations, the Federal Plaintiffs, Altria, and the Shareholder Objectors presented the Independent Monitor with a draft settlement agreement that the parties agreed resolved the Shareholder Objectors’ unresolved objection. After careful review of the revisions contained in the proposed settlement, the Independent Monitor believes the proposed settlement sufficiently addresses the Court’s concerns regarding the potential for backfilling of legacy programs and believes the Funding Amount represents new funding by Altria pursuant to the settlement of this matter. The Independent Monitor is also confident that the proposed revisions will allow him sufficient independence and authority to effectuate the

monitorship as directed by the Court and will also allow him to more robustly discharge his duties and responsibilities as enumerated in the settlement agreement. The Independent Monitor also believes that the proposed revisions and ultimate settlement agreement reached in this matter will materially advance corporate and shareholder interests, in addition to those of other community and interested stakeholders.

Dated: February 13, 2023

Respectfully submitted,

/s/ Michael S. Dry

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on February 13, 2023, I electronically filed the foregoing document with the Clerk of the Court for the United States District Court for the Eastern District of Virginia by using the CM/ECF system, which will send a Notification of Electronic Filing to all parties in this case.

/s/ Michael S. Dry

Michael S. Dry